



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 21.1.2009
COM(2009) 10 final

**COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN
PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL
COMMITTEE AND THE COMMITTEE OF THE REGIONS**

**Communication and action plan with a view to establishing a European maritime
transport space without barriers**

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(Text with EEA relevance)

1. INTRODUCTION

Maritime transport is subject to complex administrative procedures even when vessels ply only between EU ports (intra-EU maritime transport) and the cargo consists only of goods in free circulation ("Community goods"). The consequence is that the intra-EU maritime transport of goods is faced with a cost of administrative compliance that makes it a less attractive option for the transport of Internal Market goods.

These procedures involve a wide set of mainly EU legislation made up of customs and transport rules, veterinary and plant-protection regulations, and formalities for vessels arriving in or departing from ports, and have been identified as a major hindrance to intra-EU maritime transport by most stakeholders.

As similar administrative procedures do not affect land transport, a lot of stakeholders have urged action in the maritime sector too.

In particular, the Council stressed the need to encourage the use of Short Sea Shipping (SSS) in its Conclusions on the promotion of SSS of 11 December 2006, and to this end to simplify the administrative procedures. The demand was repeated in the Council Conclusions concerning the Lisbon Strategy of 12 February 2007. At the end of 2006, the European Economic and Social Committee reiterated its call to do away with controls at internal frontiers for maritime transport.

In its Mid-term Review White Paper on Transport Policy¹ the Commission announced the creation of a European maritime transport space without barriers. The need to eliminate the disadvantages of intra-EU sea traffic compared with other modes of transport has also been emphasised in the "Blue Book" Communication on an integrated maritime policy². This concept is fully compatible with the Commission strategy for legislative simplification in the European Union.

¹ Commission Communication: "Keep Europe moving — Sustainable mobility for our continent — Mid-term review of the European Commission's 2001 Transport White paper" - COM(2006) 314.

² Communication: An Integrated Maritime Policy for the European Union - COM(2007) 575, 10.10.2007.

The Commission also adopted a Communication on a European ports policy³, which tackles bottlenecks other than administrative barriers.

2. Objective of the European maritime transport space without barriersThe European maritime transport space without barriers is a concept which extends the Internal Market to intra-EU maritime transport by eliminating or simplifying administrative procedures in intra-EU maritime transport, the aim being to make it more attractive, more efficient and more competitive, and to do more to protect the environment.

To this end, the Commission identified a series of measures, which are described in this Communication.

3. ROLE OF SHORT SEA SHIPPING IN THE INTERMODAL FREIGHT LOGISTICS CHAIN

3.1. Short Sea Shipping contributes to sustainable and safe mobility

Globalisation and EU enlargement have generated major growth in transport volume over recent decades, resulting in transport congestion and increased pressure on the environment and on safety. Forecasts show that transport demand will continue to grow, which means that optimum use should be made of all forms of transport, notably SSS, which is well adapted to the geography of Europe and its long and propitious coastline.

Although more can undoubtedly still be done, SSS can be considered the most environmentally friendly mode of transport, with comparatively low external costs and high energy efficiency.

Shipping is also a comparatively safe mode of transport, with infrastructure costs which are much lower than for land transport.

Making more use of SSS could help the Community to achieve its post-Kyoto CO₂ targets.

3.2. Technical solutions for simpler administrative procedures

A key to such simplification was the mandatory fitting of vessels with monitoring equipment of vessel traffic.

Under Directive 2002/59/EC⁴, the carriage of an Automatic Identification System (AIS) is mandatory for almost all categories of ships. Vessel Traffic Services/Vessel Traffic Information and Management Systems (VTS/VTMIS), using information from AIS, coastal radars and radio communications, are deployed to monitor traffic in specific locations.

⁴ Directive 2002/59/EC of the European Parliament and of the Council of 27 June 2002 establishing a Community vessel traffic monitoring and information system and repealing Council Directive 93/75/EEC (OJ L 208, 5.8.2002, p. 10).

In 2006, the EU adopted the amendments to the IMO's SOLAS Convention to mandate the Long-Range Identification and Tracking of Ships (LRIT) for ships of 300 GT and upwards, available from January 2009.

These systems will create a sounder basis for the introduction of an e-Maritime environment for goods and for navigation, which will in turn make the sector more competitive and provide alternative solutions to the current administrative controls and documentation checks. In this context, the deployment of an integrated maritime surveillance system for monitoring movements of ships at sea will further improve vessel traffic monitoring.

4. ASSESSMENT OF POSSIBLE MEASURES TO IMPROVE THE INTERNAL MARKET FOR SHORT SEA SHIPPING

4.1. Consultation of interested parties

Stakeholders gave comments on the European maritime transport space without barriers at the occasion in conjunction with the consultation on an integrated maritime policy launched in June 2006. The specific public online “Consultation on a European maritime space without barriers reinforcing the internal market for intra-European maritime transport” was launched in October 2007.

The concept had been presented to the national Focal Points for SSS in December 2007, to the Maritime Transport Directors in April 2008, and at seminars held in March 2007 and April 2008, attracting nothing but positive comments.

Dedicated workshops with stakeholders were organised in March 2007 and April 2008 in Brussels and Antwerp, and a reference stakeholder group comprising experts from industry and administration was established in October 2007 to make suggestions and monitor the impact assessment study.

A number of issues emerged from the stakeholder consultation, described below.

4.2. Main administrative burdens underlined in the consultation

Stakeholders considered the administrative procedures for maritime transport to be too often unnecessarily complex, redundant and not harmonised between Member States or ports. Operations for incoming and outgoing vessels to/from ports are slowed down, generating higher costs, and loading and unloading operations tend to be delayed.

Indeed, sea ports in the Community are part of the EU's external border and a ship calling in these ports is faced with a range of administrative procedures on arrival and departure, comprising a wide set of EU and international legislation, ranging from customs and tax rules, to border control rules, trade, statistics, environment and waste, plant-health, veterinary and health protection, transport and security and safety regulations (see the list in Annex A of the impact assessment report). Such regulations are not always properly coordinated, leading on occasion to delays, overlaps and excessive administrative costs.

Port authorities or customs may not allow loading/unloading operations to start until the ship reporting formalities have been completed. The closing times of Customs offices in some ports cause delays in processing information.

The stakeholders reported problems with divergent practices, depending on the organisation of the operator in the port of loading. For instance, in some Member States certain customs documents have to be given in original to a customs office, which might be located far away from the quay, and opening times or the location of customs offices may cause logistical problems. In some ports, unloading of a ship can start only after all documentary formalities have been completed, which can take up to half a day.

Apart from these issues, there are other administrative bottlenecks which the Communication seeks to address:

- The transport of dangerous goods is restricted, costly and complicated at sea due to the overlap between bodies of technical legislation, and often sea transport is not an option and goods are transferred by land.
- Language difficulties are another major bottleneck as some authorities in ports refuse ship manifests and certificates in languages other than their own.
- Pilotage services can be a serious problem. Vessels on SSS runs call regularly at the same ports, and their masters are familiar with the physical features. Nonetheless, in many cases pilot assistance is compulsory. While some countries do offer a Pilotage Exemption Certificate (PEC), there are often national requirements that make a PEC difficult to obtain.
- Electronic manifests are not universally accepted by all ports in the EU. Only 55% of ports use electronic systems for handling ship and cargo information, with the use of fax and telephone still common.
- Only a few Member States have a national single window approach. The linkage between the SafeSeaNet and the port networks is very limited, and data exchange happens when the national authorities ask for it. The exchange of electronic messages between ports is practically non-existent.

Estimates of the costs entailed by these administrative procedures have been assessed (cf. impact assessment report).

5. ACTION PLAN

To extend the Internal Market to maritime transport and create a European maritime transport space without barriers, the Commission is putting forward a set of actions comprising legislative measures, measures requiring further preparation which will be proposed at a later stage, and recommendations to the Member States. The impact assessment of the measures has been carried out, and the resulting report can be consulted on the European Commission website.

5.1. Short-term measures at EU level

5.1.1. *Simplification of customs formalities for vessels only sailing between EU ports*

The point of a European maritime transport space without barriers is to make maritime transport more efficient by abolishing administrative formalities for goods in free circulation (Community goods): upon their arrival at an EU port, ships from another EU port transporting Community goods would not have to present a proof of Community status. This will be an important additional step for the completion of the internal market.

In early 2009 the Commission will propose to amend the Regulation laying down provisions for the implementation of the Community Customs Code⁵, in order to introduce the presumption that goods shipped between Community ports have the customs status of Community goods so that a documentary proof of Community status will not be required.

The presumption will apply to goods that have been shipped between ports in the Community customs territory on board a vessel that does not come from, go to or call at any ports outside this territory or in a free zone of control type I (as stipulated in the Implementing Provisions of the Community Customs Code), provided that they are carried under cover of a single transport document drawn up in a Member State. Non-Community goods carried on board these vessels will be covered by a transit procedure.

The current presumption which is limited to vessels plying between ports in the customs territory of the Community that have a prior customs authorisation – "authorised regular shipping services" - can therefore be repealed.

The Commission will propose that the new rules should enter into force in 2010. The Commission considers that amending the Regulation laying down provisions for the implementation of the Community Customs Code is an expedient way to realise one of the main goals of the European maritime transport space without barriers, namely significantly reducing the administrative burden imposed to intra-Community maritime transport, without inducing adverse effects on other categories of sea transport carrying third-country goods. This will add to the benefits expected from the Modernised Customs Code and e-Customs in terms of reduction of administrative burden for transport.

5.1.2. *Guidelines for speeding up documentary checks related to animal and plant products carried between EU ports*

Animal products and live animals of Community origin are subject to documentary checks when they are unloaded in ports with a border inspection post and where they are transported by a maritime service which is not a regular and direct line between two Community ports. This is to address the risk of goods of third country origin being presented accidentally or fraudulently as goods of Community origin, exposing the Community to significant risks to public and animal health.

⁵ Regulation (EEC) No 2454/93 laying down provisions for the implementation of Council Regulation (EEC) No 2913/92 establishing the Community Customs Code (OJ L 302, 19.10.1992, p. 1).

Through specific guidelines, the Commission will encourage more effective and faster clearance of animal and plant products in intra-Community maritime transport as described in Council Directive 89/662/EEC⁶ on veterinary checks, Council Directive 90/425/EEC⁷ on veterinary and zootechnical checks and Council Directive 2000/29/EC⁸ on protective measures for plants or plant products. Opportunities could be found for synergies in the checks, especially documentary checks, required before clearance is permitted at Community ports for such goods. Many stakeholders have identified overlaps in such checks leading to delays and higher costs in clearance. Similarly, there are indications that the best practices of some ports offer opportunities for more effective controls, without compromising safety. These best practices will be introduced in guidelines on the procedure for animal and plant products carried by seaborne transport. The guidelines will clarify, inter alia, the procedures applying to animal products and live animals of Community origin if the vessel arrives in a port with a border inspection post, and the procedures for animal products and live animals of non-Community origin. They will also cover goods carried under a transit procedure, transhipped goods or goods which are directly imported. They will promote a common approach, clarifying the concept of regular services, and will encourage the use of electronic data transmission and more effective coordination with customs.

The Commission will immediately begin discussions with Member States with a view to getting agreement on these guidelines in 2009. If necessary, amendments could also be considered in the current review of Community import procedures for animal products and live animals.

5.1.3. *Rationalisation of documents requested under different bodies of legislations*

Another measure for simplifying administrative procedures will be to clarify the use of IMO/FAL harmonised forms through a proposal to the European Parliament and the Council for a directive replacing Directive 2002/6/EC on reporting formalities for ships arriving in and/or departing from ports⁹. The proposal will require the use of electronic data transmission systems for data exchange and paper-based documents will be abandoned at the latest in 2013. It will pave the way for a single window arrangement, whereby all administrative procedures will be processed in a co-ordinated fashion amongst the various entities, using electronic data transmission.

In addition, overlaps with Directives 95/21/EC¹⁰, 2000/59/EC¹¹, 2002/59/EC and Regulation (EC) No 725/2004¹² will be eliminated, while retaining the same

⁶ Council Directive of 11 December 1989 concerning veterinary checks in intra-Community trade with a view to completion of the internal market (OJ L 395, 30.12.1989, p. 13).

⁷ Council Directive of 26 June 1990 concerning veterinary and zootechnical checks applicable in intra-Community trade in certain live animals and products with a view to the completion of the internal market (OJ L 224, 18.8.1990, p. 29).

⁸ Council Directive 2000/29/EC of 8 May 2000 on protective measures against the introduction into the Community of organisms harmful to plants or plant products and against their spread within the Community (OJ L 169, 10.7.2000, p. 1).

⁹ Directive 2002/6/EC of the European Parliament and the Council on reporting formalities for ships arriving in and/or departing from ports of the Member States of the Community (OJ L 67, 9.3.2002, p. 31).

¹⁰ Council Directive 95/21/EC of 19 June 1995 concerning the enforcement, in respect of shipping using Community ports and sailing in the waters under the jurisdiction of the Member States, of international

information in a standard form. The benefit of this measure will be to speed up administrative procedures, establishing a framework in which transport operators and agents responsible for processing documental formalities do so once only.

5.2. Medium-term measures at EU level

In addition to the above short term measures, the Commission will start working in 2009 in co-operation with the stakeholders on the enabling measures described below with a view to presenting solutions in 2010.

5.2.1. *Simplification of administrative formalities for vessels sailing between EU ports, but having a call in a third country or a free zone*

For the medium term, the Commission has already foreseen a facilitation of Short Sea Shipping and the Motorways of the Sea for vessels making a call in a port located in a third country or a free zone by developing the electronic means identifying Community goods carried on board these vessels under the Modernised Customs Code and the implementation of a Single Window.. With this, the Commission will further reduce cost for operators that bring Community goods into the Community.

5.2.2. *Enhanced electronic data transmission*

The Commission announced in the action plan attached to its 2006 White Paper on transport policy that it would propose measures for the deployment of e-maritime systems. Indeed, beside Directive 2002/59/EC, which provides the legal basis for VTMS harmonisation and sharing of data between Member States, several port community information systems are currently in place or about to be implemented in the European Union. Each one fulfils a different objective.

There are also several networks for sharing information on vessels traffic between Member States. So there is a need for EU-wide integration of these systems, including the SafeSeaNet network. The integration of the maritime surveillance systems will greatly enhance the monitoring of vessels and traffic tracking.

This will ease administrative procedures for ships entering or leaving ports, as well as customs procedures. Indeed, customs authorities should be users of the e-maritime systems, and this system should be fully compatible with the e-Customs systems introduced by Decision No 70/2008/CE¹³.

The development of a seamless transport document flow, which is the objective of the Commission e-Freight project, will ultimately boost the ability of Short Sea Shipping to compete on more door-to-door corridors.

standards for ship safety, pollution prevention and shipboard living and working conditions (port State control) (OJ L 157, 7.7.1995, p. 1).

¹¹ Directive 2000/59/EC of the European Parliament and of the Council of 27 November 2000 on port reception facilities for ship-generated waste and cargo residues (OJ L 332, 28.12.2000, p. 81).

¹² Regulation (EC) No 725/2004 of the European Parliament and of the Council of 31 March 2004 on enhancing ship and port facility security (OJ L 129, 29.4.2004, p. 6).

¹³ Decision n° 70/2008 of the European Parliament and the Council on a paperless environment for customs and trade.

5.2.3. *Administrative single window*

The Commission is preparing measures for "National Single Windows". A Single Window is a system that allows traders to lodge information with a single body to meet all import or export-related regulatory requirements.

Currently, vessels need to interface with several parties in ports in order to carry out all the administrative procedures. This has a substantial effect on costs, the speed of goods handling and the system's overall reliability. Establishing a single desk, where all paperwork will be dealt with, will be highly beneficial. Indeed, administrative formalities will be processed electronically or in coordination between entities.

A first step has been accomplished with Decision No 70/2008/CE introducing a single window for goods-related formalities. Implementing measures and measures aimed at ensuring that all information necessary for port authorities are lodged once will be developed in cooperation with the various stakeholders.

This measure will be coupled with the electronic data transmission one, whereby information will be exchanged between vessels and authorities in an electronic format as far as possible.

5.2.4. *Simplification of rules on carriage of dangerous goods by sea*

Regulations on dangerous goods are less favourable for sea transport than for road transport. The IMDG Code¹⁴ and Directive 2002/59/EC contain specific provisions for the carriage of dangerous goods, setting up a special procedure, which entails early advance notifications and declarations, and which is much stricter than for road transport.

One solution will be to simplify the regulations on dangerous goods for RoRo vessels carrying trucks complying with Council Directive 94/55/EC¹⁵ or the ADR regulation¹⁶.

Once authorised, there will be no need to keep to the letter of the complex procedures set out in the IMDG Code and by national regulations. Maritime authorities should recognise ADR certificates issued for trucks.

The general rules concerning transport, stowage and segregation of dangerous goods would continue to apply, in accordance with the IMDG Code, but some extensions in the types and quantities of dangerous goods on board should be permitted in line with the ADR Code.

The Commission intends to consult the stakeholders concerned with the transport of dangerous goods for all transport modes, with a view to presenting a proposal for harmonised simplified rules or to inviting Member States to adopt regional

¹⁴ International Maritime Dangerous Goods (IMDG) Code adopted in 1960 by the International Maritime Organisation.

¹⁵ Council Directive 94/55/EC of 21 November 1994 on the approximation of the laws of the Member States with regard to the transport of dangerous goods by road (OJ L 319, 12.12.1994).

¹⁶ European Agreement concerning the International Carriage of Dangerous Goods by Road (ADR) of 30 September 1957.

agreements similar to the Memorandum of Understanding already accepted by countries bordering the Baltic Sea. The proposed simplification will not reduce the level of safety and security.

5.3. Recommendations to Member States

5.3.1. *Co-ordination of administrative inspections with a view to shortening turnaround times*

Another measure is to organise, where appropriate, “one-shot inspections”, whereby any authorities that need to board the ship when in port (e.g. health and safety, environmental, veterinary, phytosanitary etc.) for inspection will do so in a coordinated way at the same time. In this way delays will be reduced and vessels’ turnaround times improved. Member States should encourage administrations at port level to plan their inspections jointly, in order to reduce the negative economic impact on SSS without reducing the quality of the inspections.

5.3.2. *Facilitate administrative communication*

National language requirements often represent a bottleneck to the development of a SSS network. Some areas have overcome their communication problems by agreeing to use a shared neighbouring language or English.

Member States are encouraged to assess the feasibility of using an agreed language or English as second language for all maritime administrative documents and procedures.

The provisions of Chapter V, Regulation 14, paragraph 4 of the SOLAS Convention (as referred to in Directive 2001/25/EC on the minimum level of training of seafarers) should be enforced as Member States are Contracting Parties to the SOLAS Convention. In practical terms, it would mean that adequate communication between the personnel operating in ports (Custom authorities, port authorities, health inspectors, etc.) and the vessels’ crews takes place in a common language.

5.3.3. *Issuing of Pilot Exemption Certificates (PEC)*

Member States are invited to create a regulatory framework which would permit easier pilotage exemptions.

This regulatory framework should allow shipmasters who do not speak the country’s native language to obtain pilotage exemptions. The solution will be a simplification of the existing regulations, allowing all operators carrying frequent shipping services to apply for PECs in a much easier way.

The conditions required for obtaining a PEC should be reasonable and should not contain elements of protectionism. A change in the characteristics of the service should not require the master to give evidence for all aspects of qualification and examination for a PEC.

The measure would induce lower costs for SSS operators and faster turnaround times of vessels in ports. The action required to put this recommendation into effect will need to be taken at national level and coordinated among national authorities.

5.3.4. *Rationalisation of flux and space in ports*

Another recommended measure is the physical separation in ports of areas reserved for SSS for Container traffic and RoRo traffic. The benefit of this measure would be more rational management of port traffic and faster vessel turnaround times in ports.

It could result in increased infrastructure costs; however it is not without its benefits. In particular, this measure can solve the problem of priority given to deep-sea vessels and allow short sea ships to offer optimised and faster round trips.

6. FURTHER ACTION

6.1. A mechanism for better general co-ordination of administrative services at all levels

Insufficient co-ordination at operational level in port between the various administrative services and operators at port level (e.g. port authority, port terminal operators, customs office, services in charge of health, phytosanitary and veterinary controls and inspections, ship agents, ship masters) and at national and international levels have been reported as a major source of unjustified costs for shipping as well as a source of inefficiency.

Member States should invite local authorities to improve operational co-ordination by making sure that the sequence of administrative steps does not create unnecessary delays.

This plan should involve all stakeholders, set up objectives for the reducing the administrative burden for SSS and plan the necessary training for the use of common communication and advanced tools.

At European level, the group of Focal Points of SSS¹⁷ should point out the liaison needed between Member States and ports, report on persisting problems and suggest solutions. The Commission should work towards the necessary co-operation and information flows between the Commission expert groups on specific issues (transport, environment, customs, border controls, health...).

6.2. Monitoring and reporting

The short-term actions should be in place in 2010, and the medium-term actions in 2013. The effects of the measures on modal shift should be measurable in the year following implementation.

The Commission will monitor progress made in establishing the European maritime transport space without barriers and pay heed to any problems in the implementation phase, and make provision for any remedial action, if needed.

¹⁷ Group of focal points on Short Sea Shipping and Motorways of the Sea. This group has been set up by the European Commission and comprises experts from Member States and candidate countries, representatives of Short Sea Shipping Promotion Centres and the Maritime Industry Forum.

The Commission will endeavour to include a report on the action described in this Communication, e.g. covering Member States' reports on the entry into force of the legal and other actions recommended in this Communication, in its regular report on Short Sea Shipping scheduled for 2012.

7. CONCLUSION

With its European maritime transport space without barriers, the Commission is seeking to boost the overall effectiveness of intra-EU maritime transport by removing major administrative obstacles to the development of SSS. This mode has an important role to play in helping the EU to honour its environmental commitments and address its energy challenge, through better competition conditions with road transport. The concept is a part of a broad strategy which encompasses the Motorways of the Sea project and new SSS services via the Marco Polo programme and the TEN-T projects, more transparent port dues, efficient rail and waterway links with the port hinterland and lower impact of ports and vessels on the environment. SSS can also help maintain the EU's strong know-how in shipping in general and enable it to keep up its position as a key player in the globalisation of the economy.